

City of Kent, WA 2017 2nd Quarter Financial Report

Operations Committee
August 15, 2017



Special Recognition to:

Kathleen Etheredge, Senior Financial Analyst

Michelle Ferguson, Senior Financial Analyst

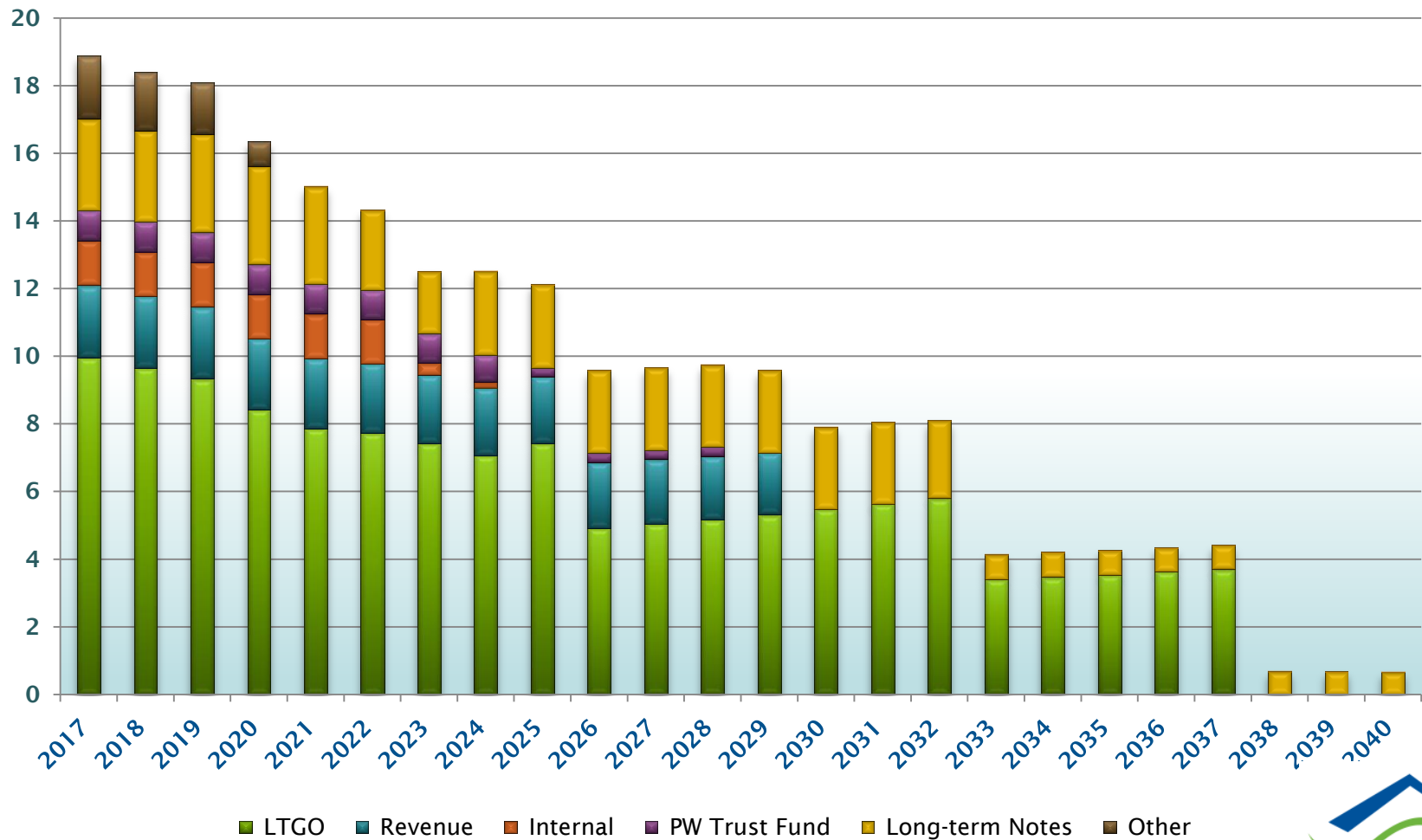
Shane Sorenson, Senior Financial Analyst

Barbara Lopez, Deputy Finance Director

Spotlight: Debt Service

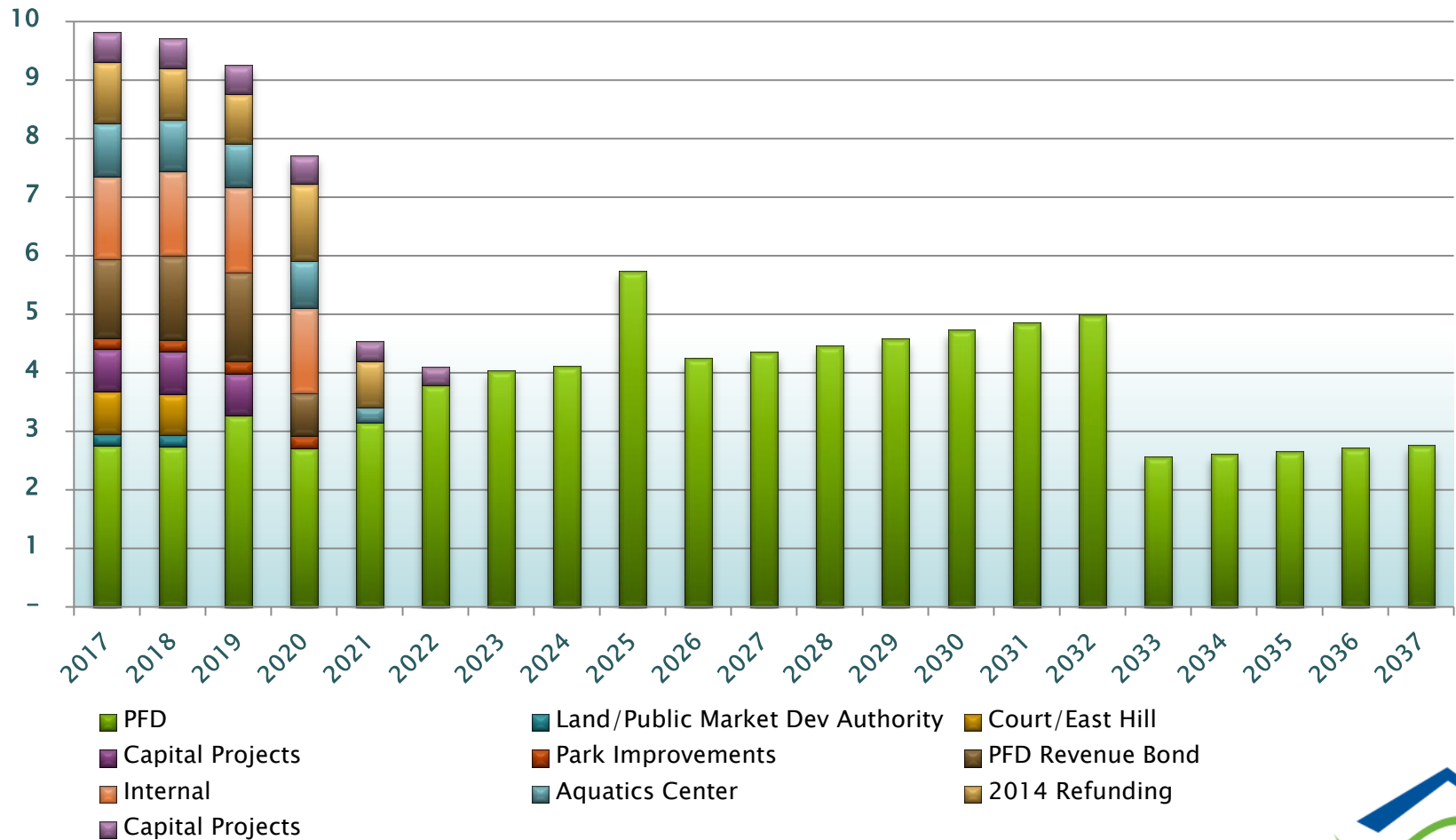
Total City Debt Service by Debt Type

\$ in Millions



Capital Resources Fund General Debt

\$ in Millions



General Fund 6-Year Forecast

Includes:

- An allowance for 3 new Police positions and 1 other GF position each year beginning in 2019
 - Average cost per position \$115k, total cost of \$460k annually
- Sales Tax shift from Capital Resources Fund beginning in 2019
- Reduced Street Fund Subsidy from General Fund to \$1.0m per year beginning in 2019
- Continuance of 2% internal utility tax in 2021 \approx \$1.5m reallocated to general operations
- Use of banked property tax capacity
 - \$2.37m in 2018,
 - \$1.72m in 2020
 - \$1.90m in 2021
- Additional \$500k in revenues for marijuana and card rooms beginning in 2019
- Assumes constant revenue growth

General Fund 6-Year Forecast

(amounts in thousands)	Adopted		Adjusted	Six-Year Forecast					
	2017	2018	2018	2019	2020	2021	2022	2023	2024
Beginning Fund Balance	19,705	17,708	19,255	19,256	21,373	21,373	21,079	19,119	15,438
Revenues	92,396	94,566	96,943	102,196	102,225	103,987	105,202	106,380	107,574
Expenditures	94,393	94,562	96,943	100,078	102,225	104,281	107,162	110,062	113,123
Change in Fund Balance	(1,997)	4	0	2,117	(0)	(294)	(1,960)	(3,682)	(5,549)
Ending Fund Balance	17,708	17,712	19,256	21,373	21,373	21,079	19,119	15,438	9,889

General Fund 6-Year Forecast

(includes loss of SST)

(amounts in thousands)	Adopted		Adjusted	Six-Year Forecast					
	2017	2018	2018	2019	2020	2021	2022	2023	2024
Beginning Fund Balance	19,705	17,708	19,255	19,256	19,160	14,581	9,758	3,325	(4,770)
Revenues	92,396	94,566	96,943	99,982	97,647	99,458	100,728	101,967	103,237
Expenditures	94,393	94,562	96,943	100,078	102,225	104,281	107,162	110,062	113,123
Change in Fund Balance	(1,997)	4	0	(96)	(4,578)	(4,823)	(6,434)	(8,095)	(9,886)
Ending Fund Balance	17,708	17,712	19,256	19,160	14,581	9,758	3,325	(4,770)	(14,655)

Includes:

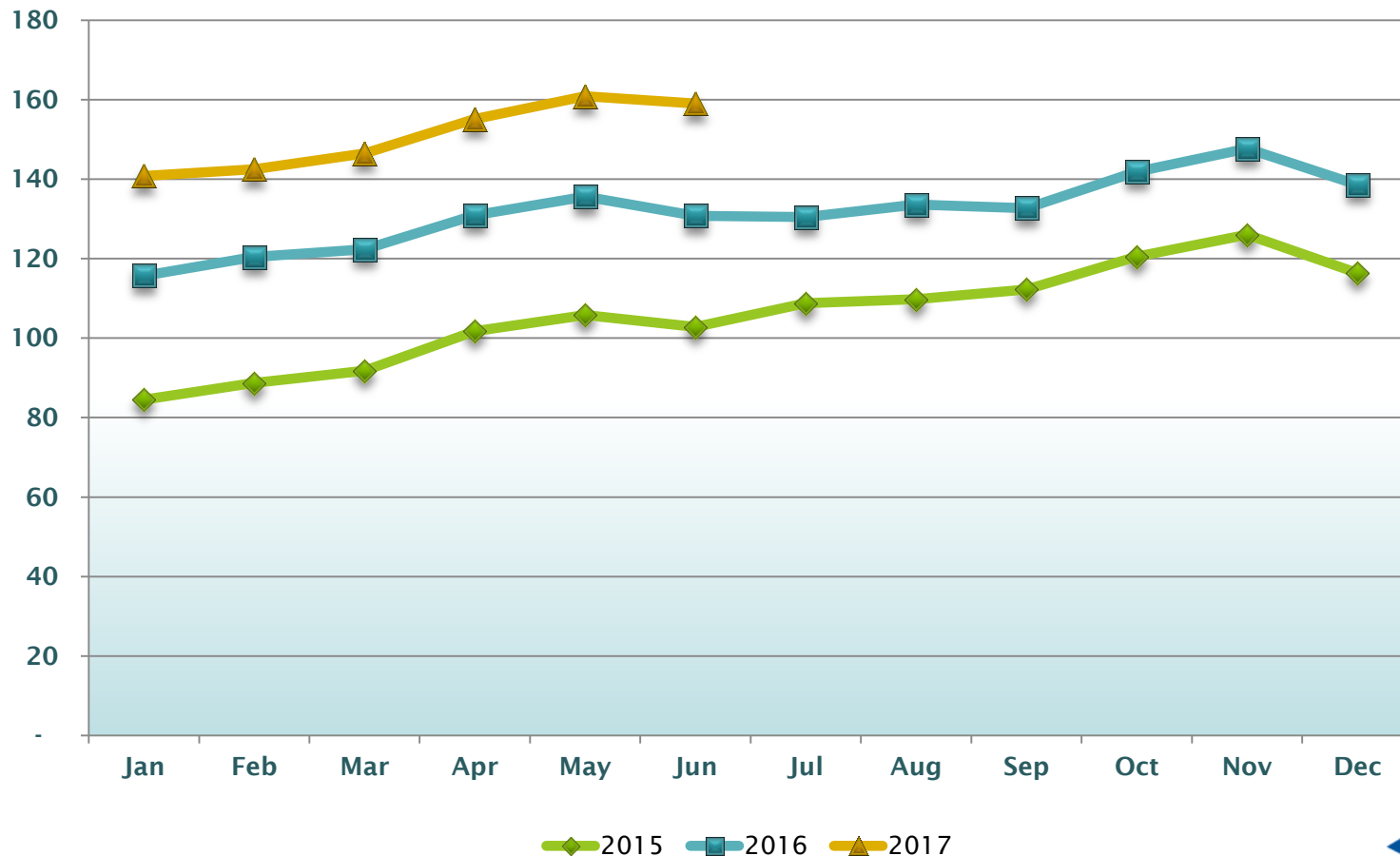
- All of the previous factors
- Loss of SST Mitigation
 - \$2.5m loss in 2019
 - \$5.0m loss each year beginning 2020
- Main Street Fairness Act: Internet Sales Tax *
 - 2019: \$573,000
 - 2020: \$714,000
 - 2021: \$774,000
 - 2022: \$840,000
 - 2023: \$912,000

According to: <https://public.tableau.com/profile/publish/remotesalestax/DesktopDashboard#!/publish-confirm>



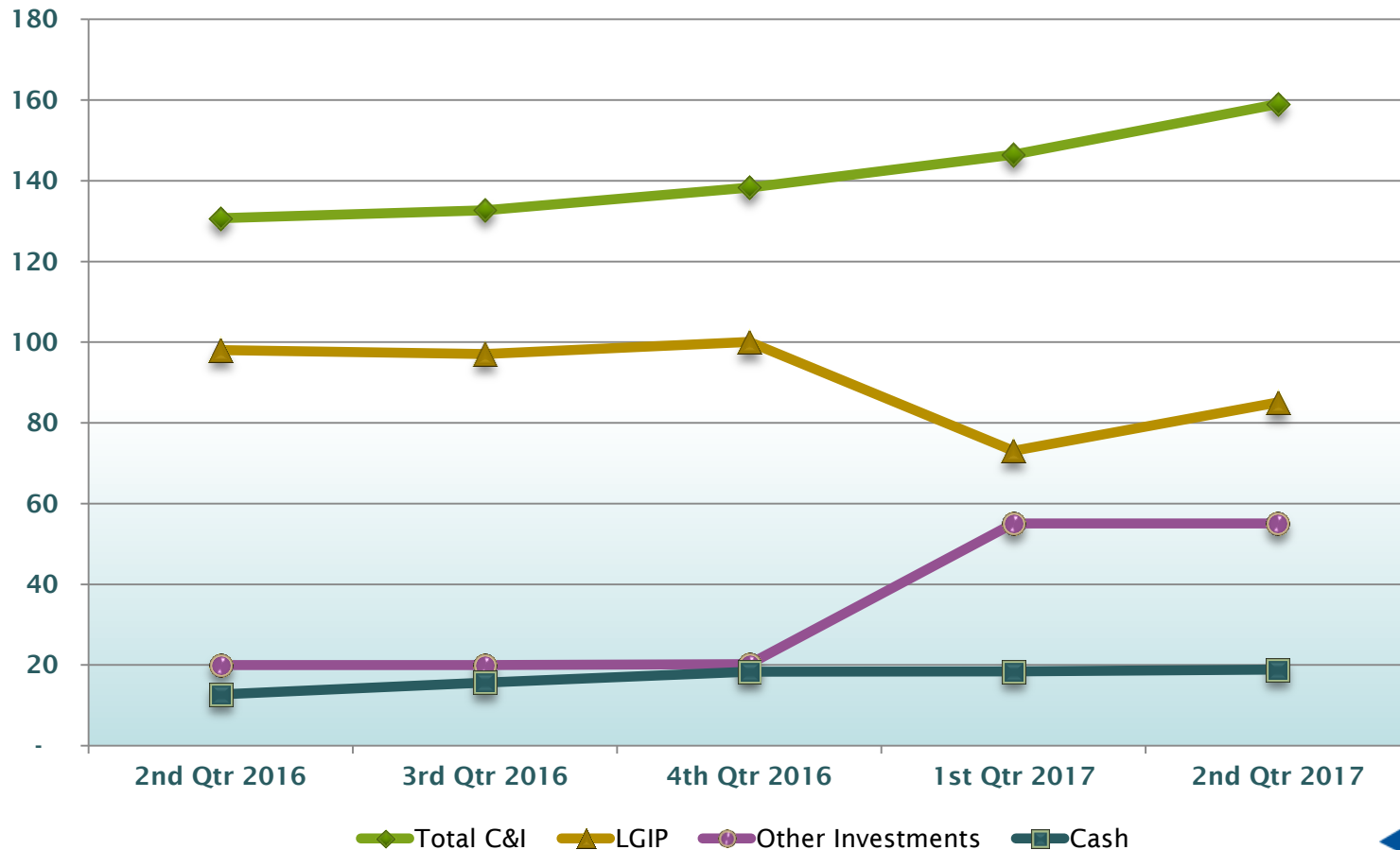
Cash and Investments by Month (City-wide)

\$ in Millions



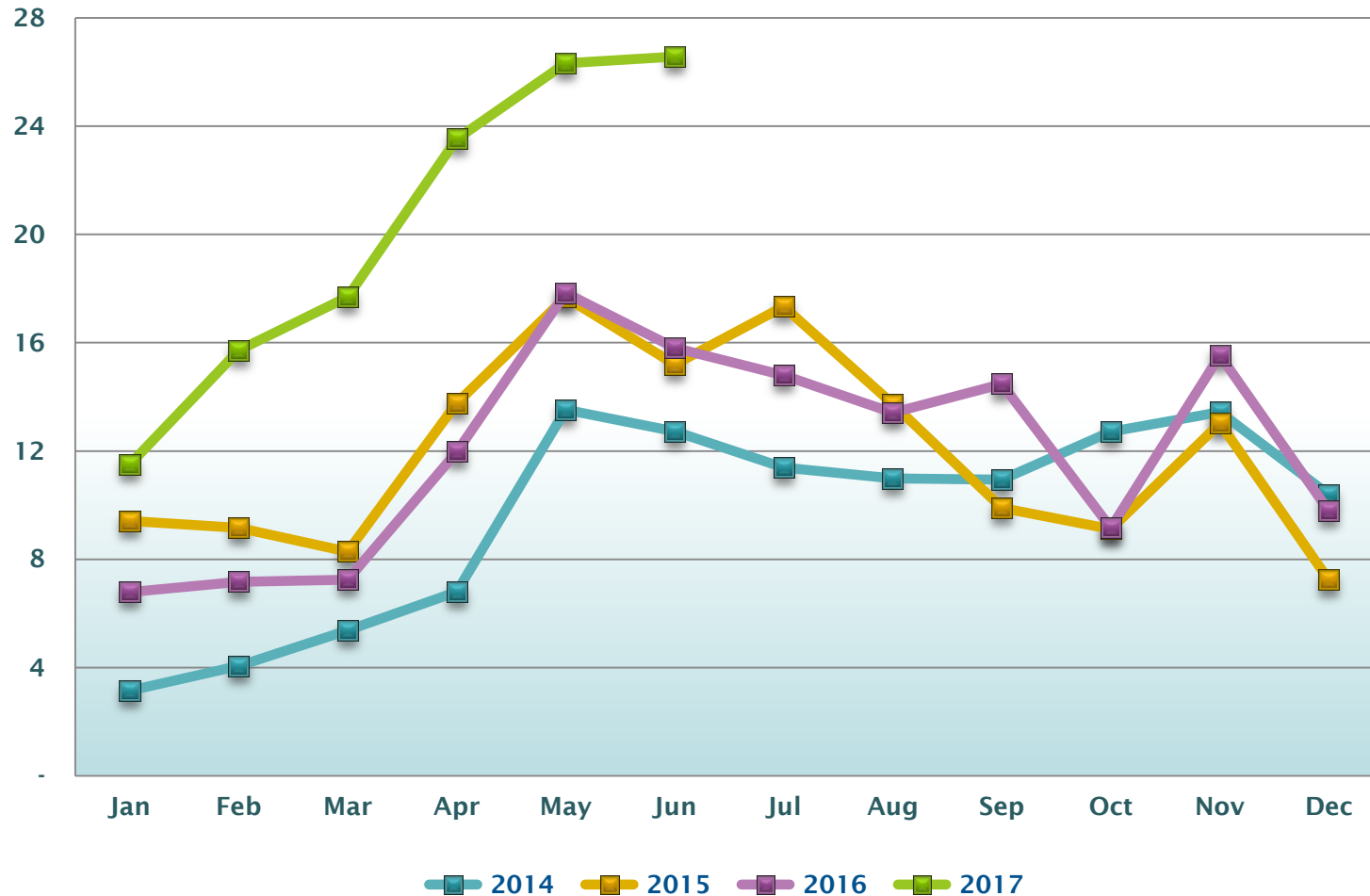
Cash and Investments by Type (City-wide)

\$ in Millions



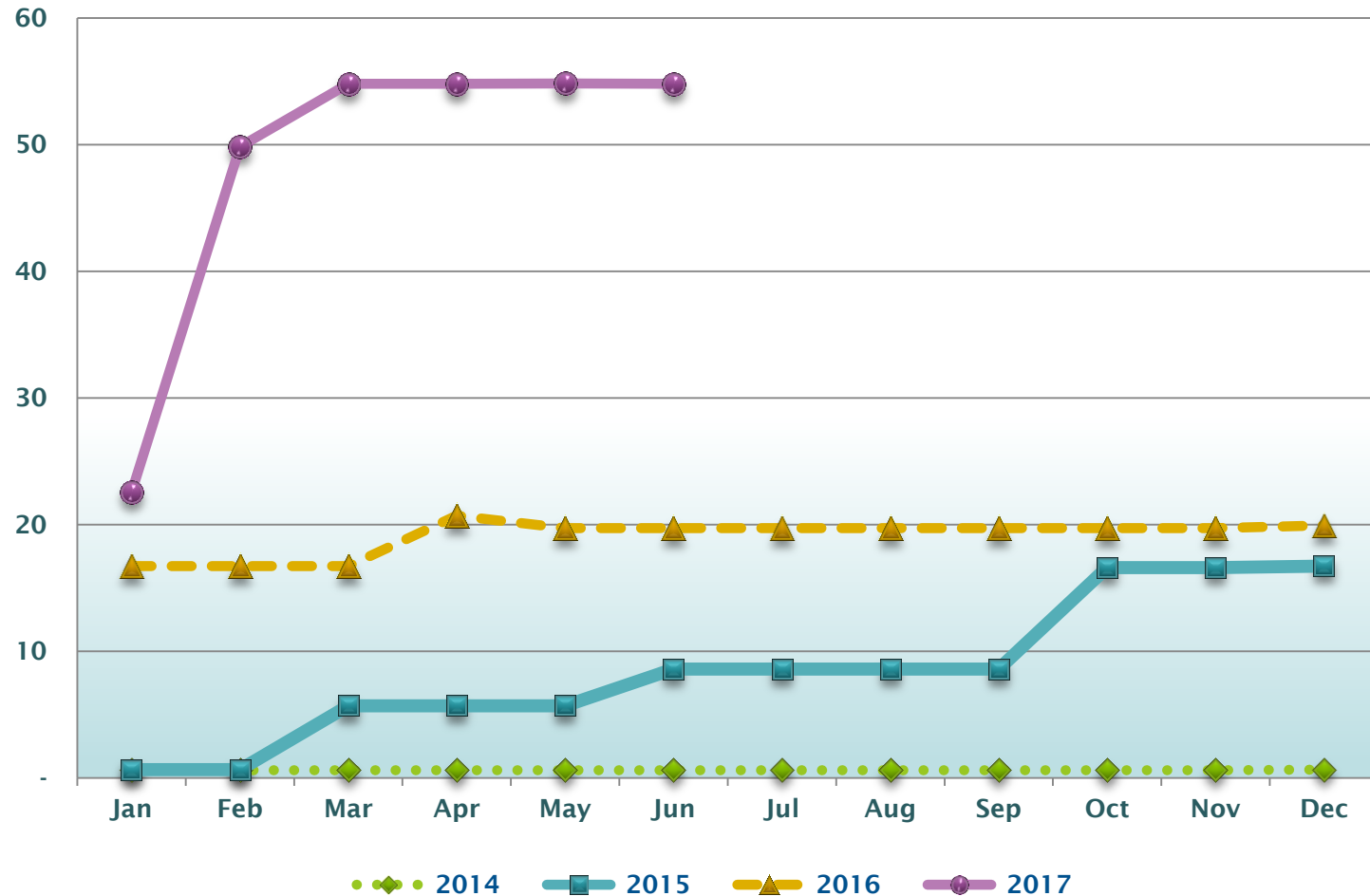
General Fund Cash Flow

\$ in Millions



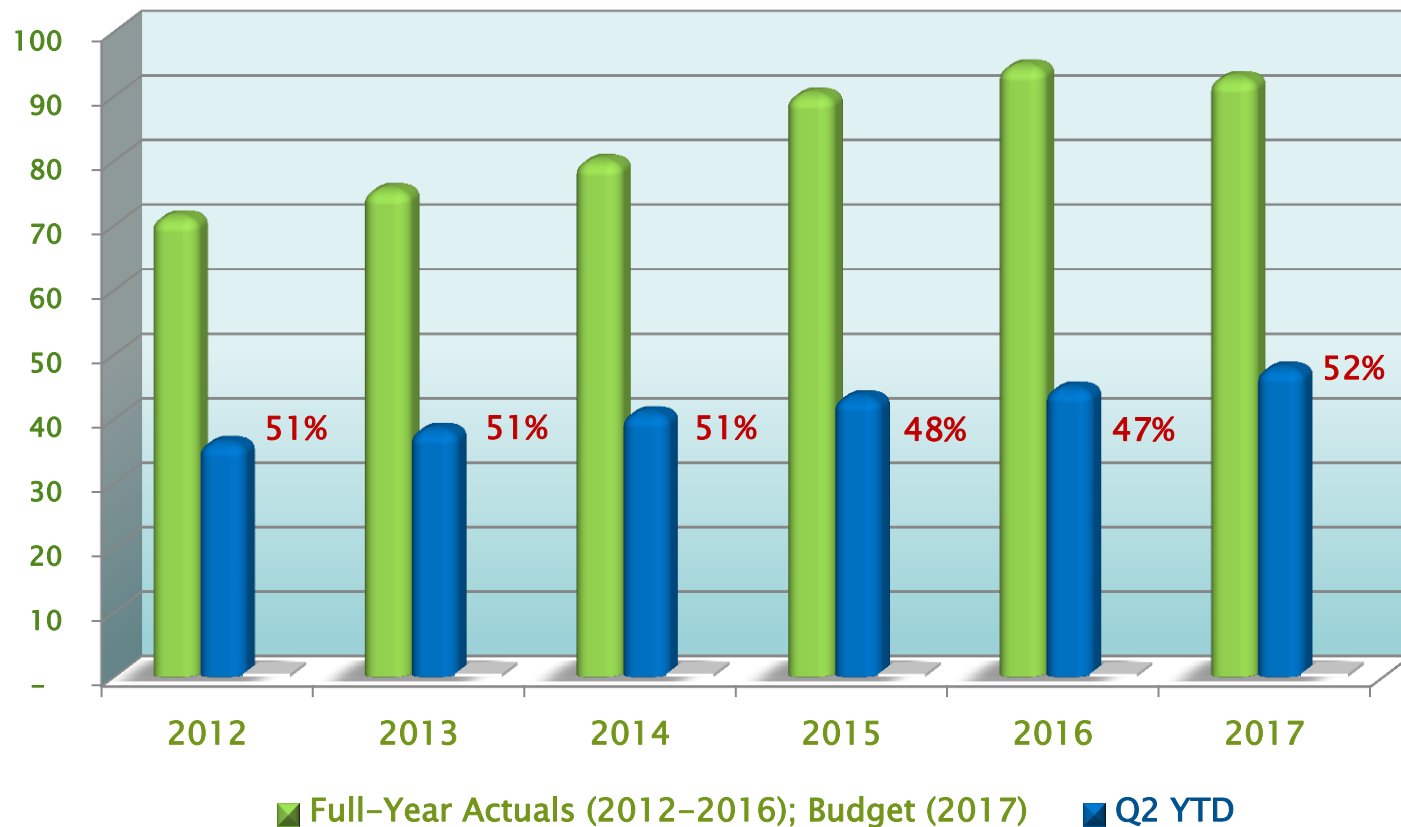
City-wide Long-Term Investments

\$ in Millions

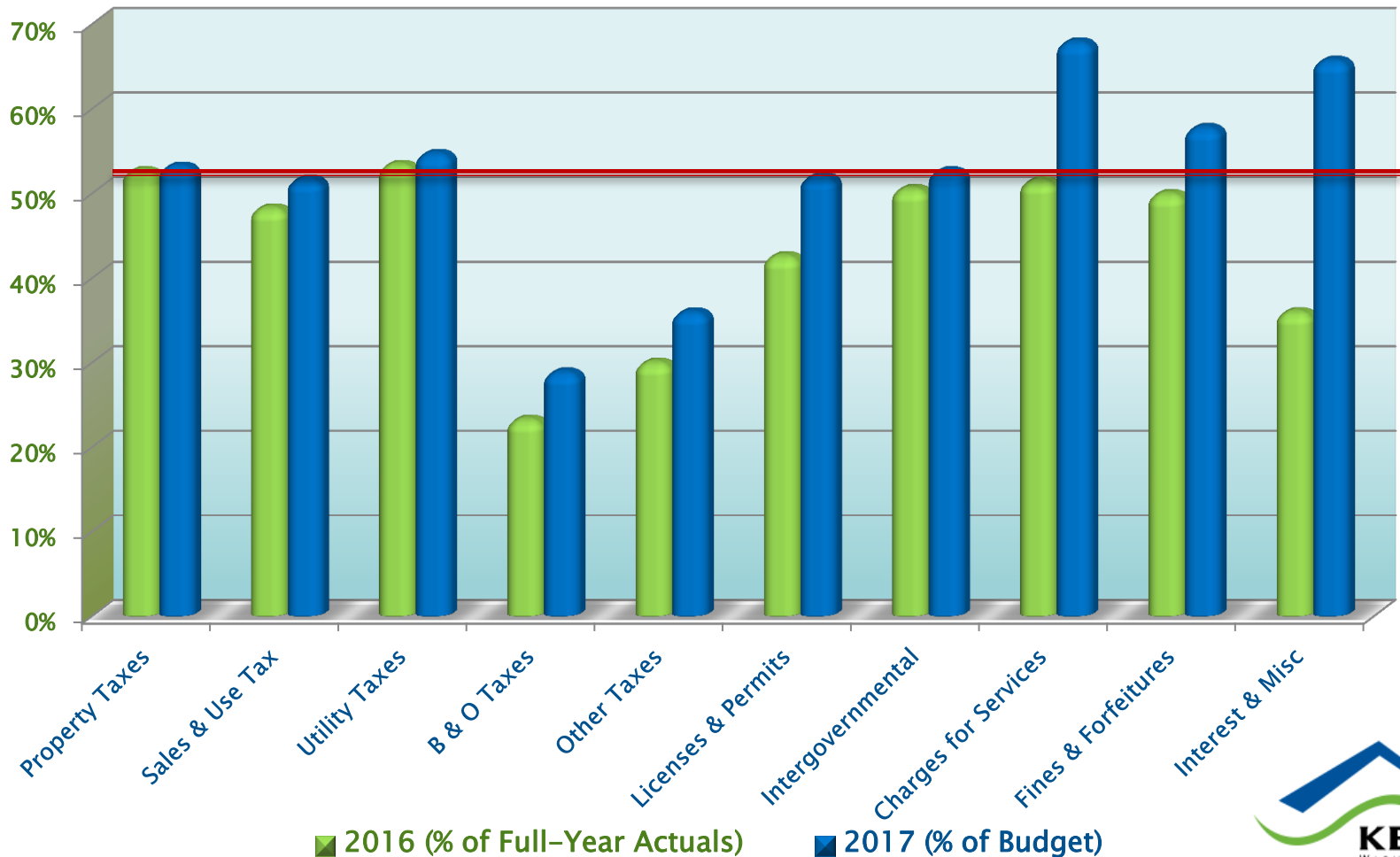


General Fund Revenue Collections

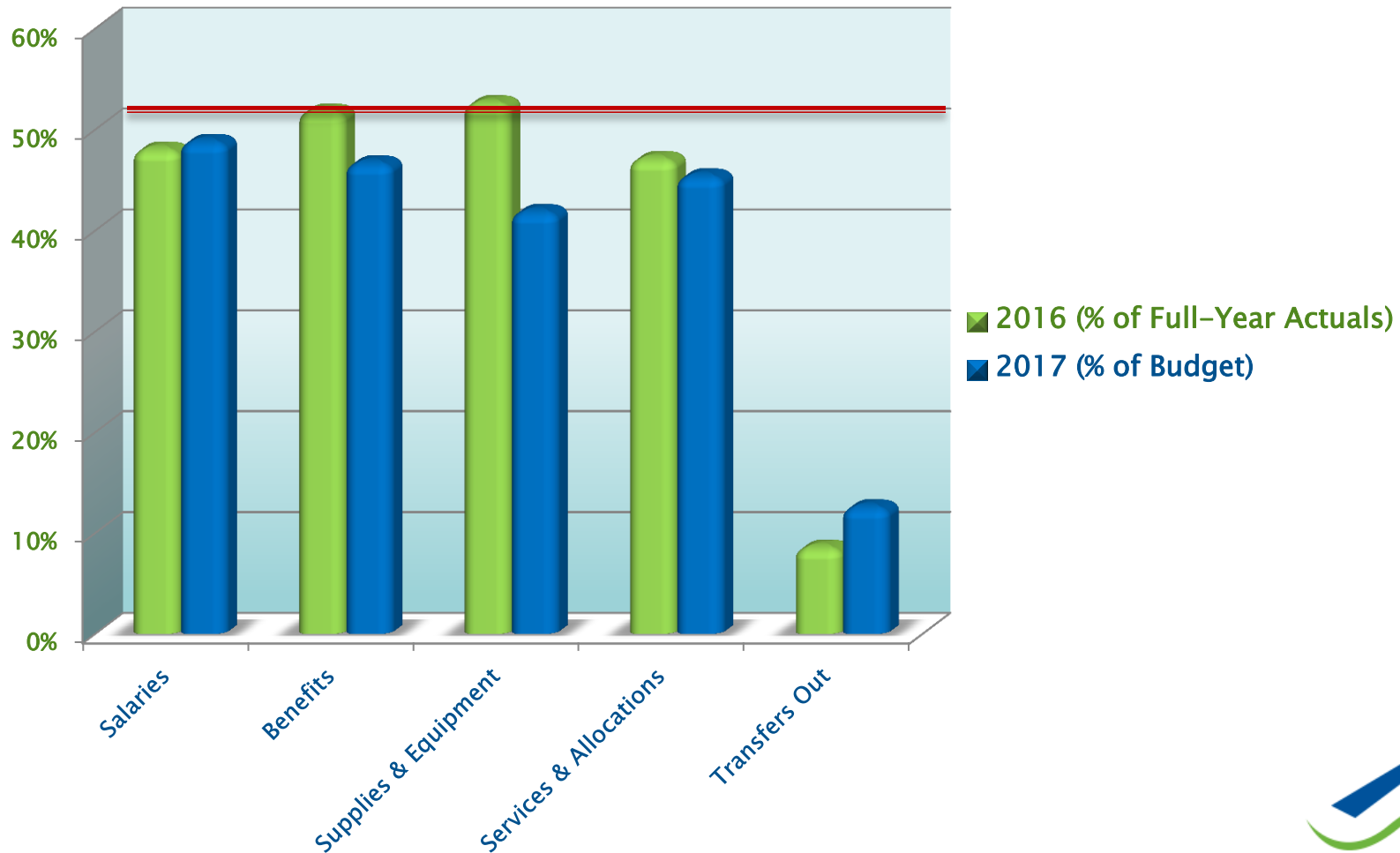
\$ in Millions



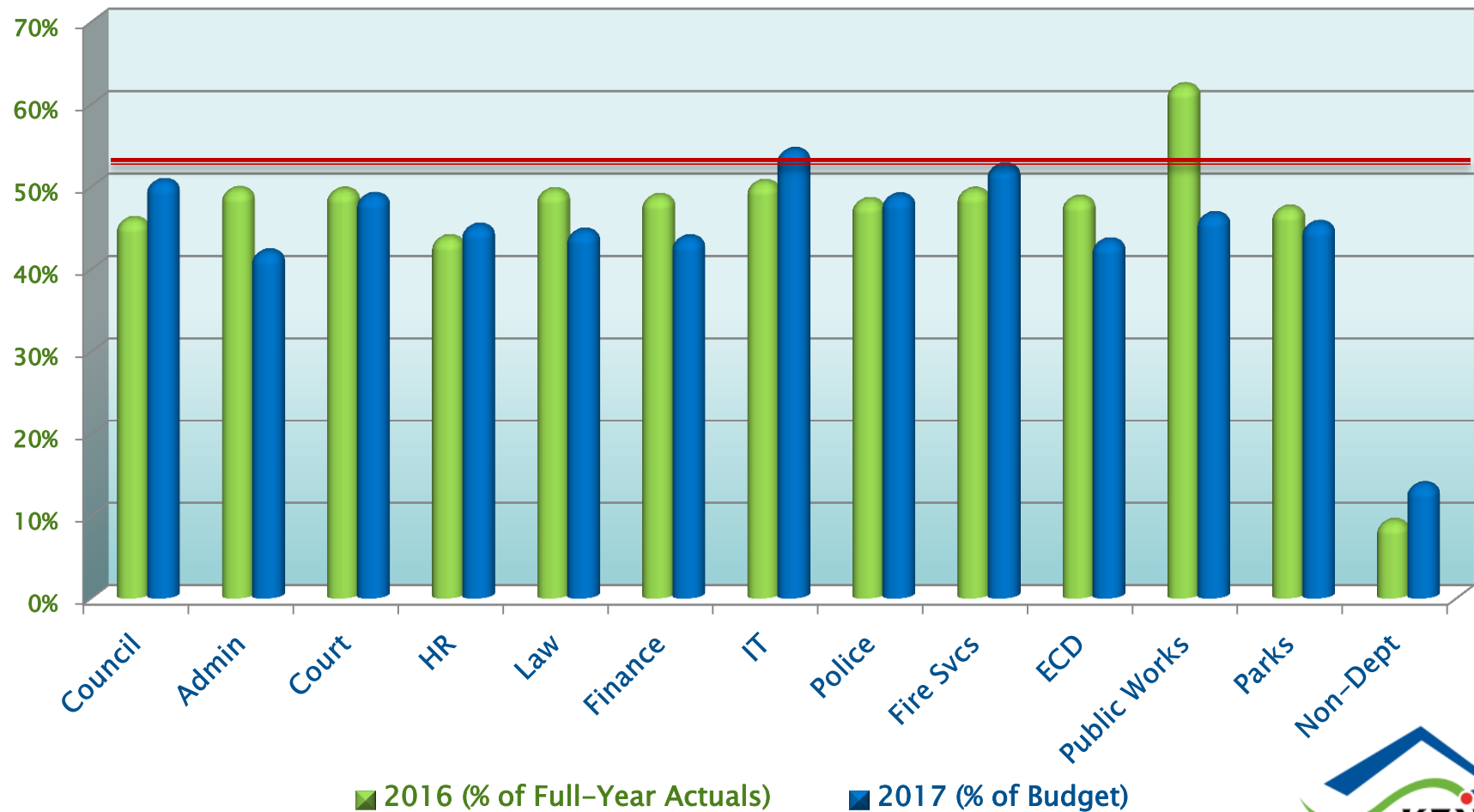
General Fund Revenues by Classification



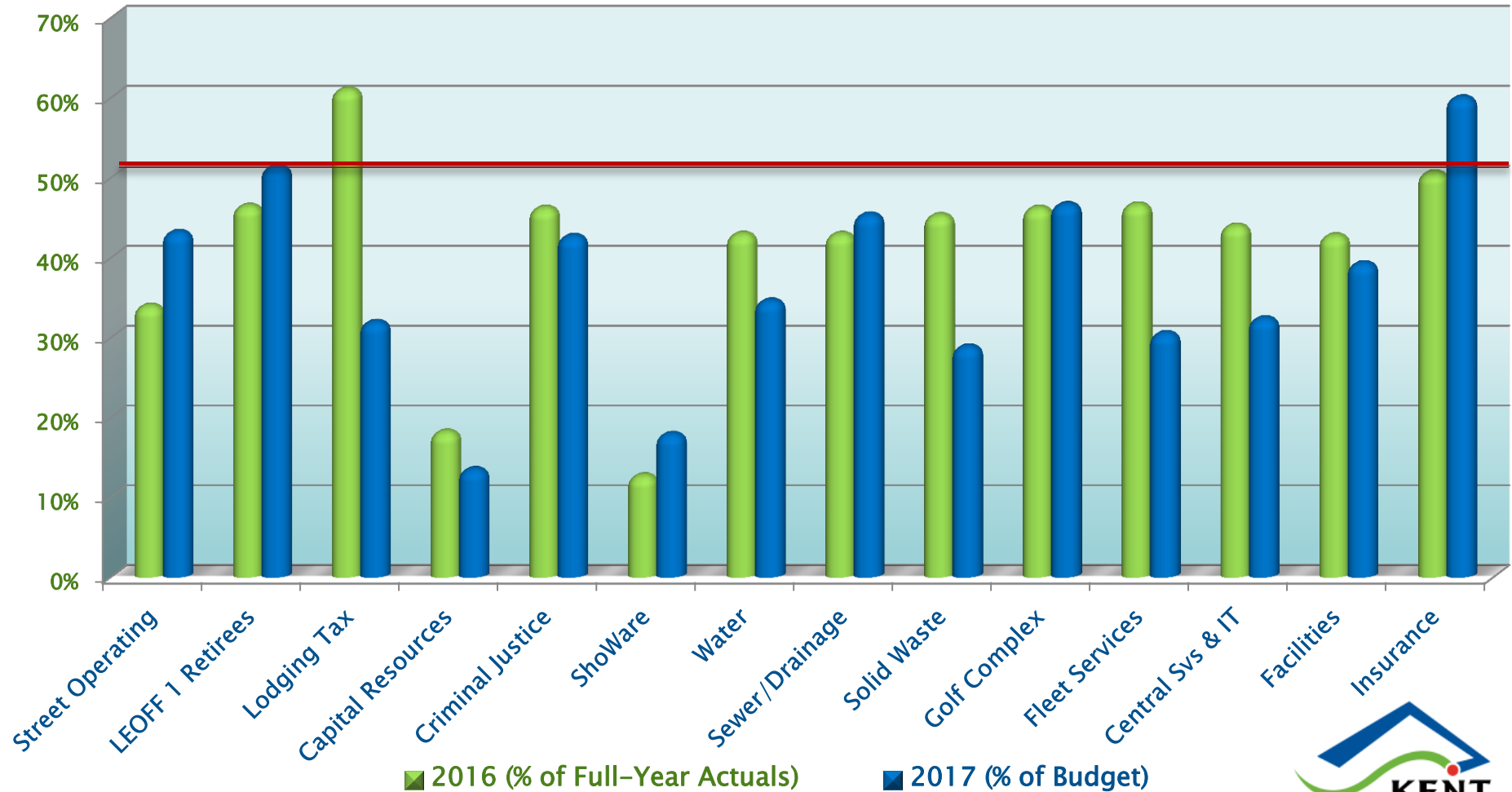
General Fund Spending by Classification



General Fund Spending by Department



City-wide Spending – All Other Funds

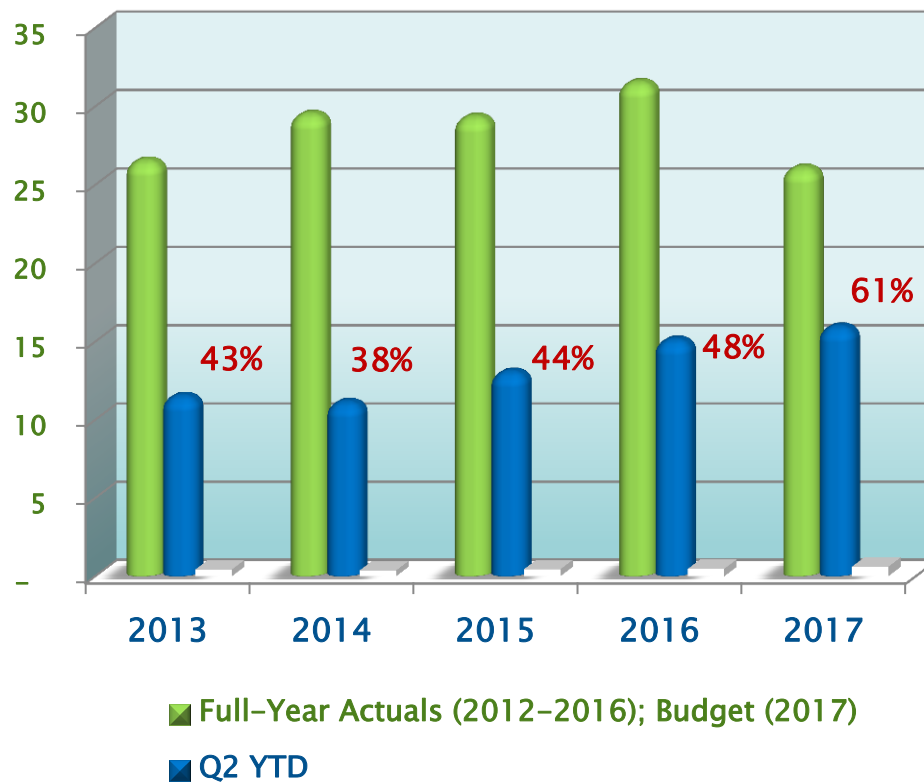


■ 2016 (% of Full-Year Actuals)

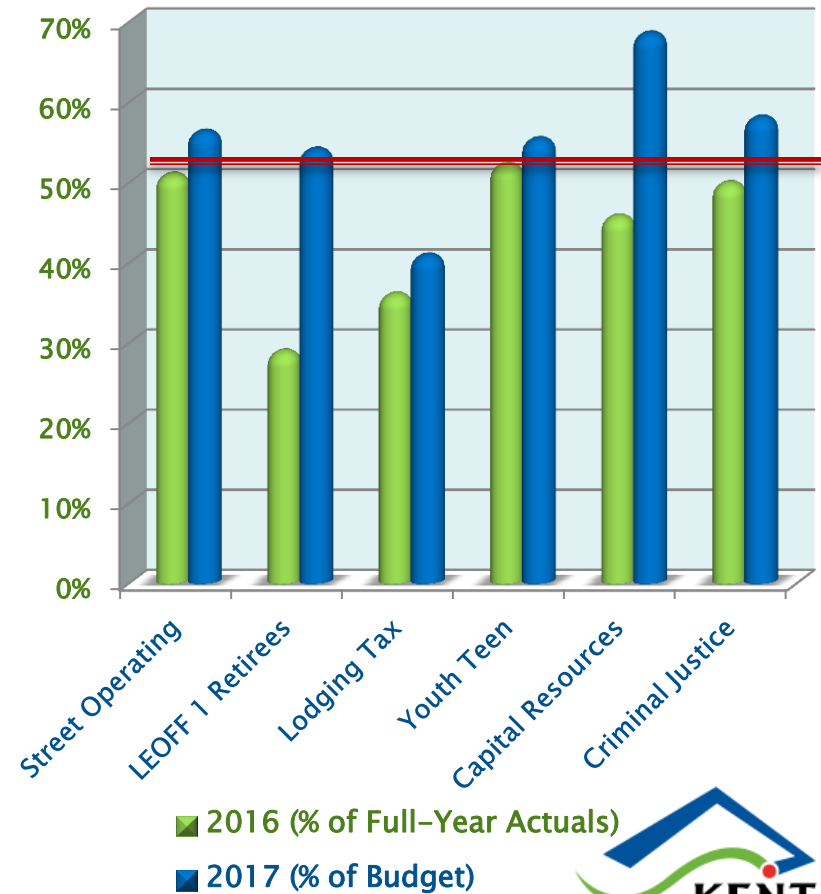
■ 2017 (% of Budget)

Special Revenue Funds

\$ in Millions **Total Revenue Collections**



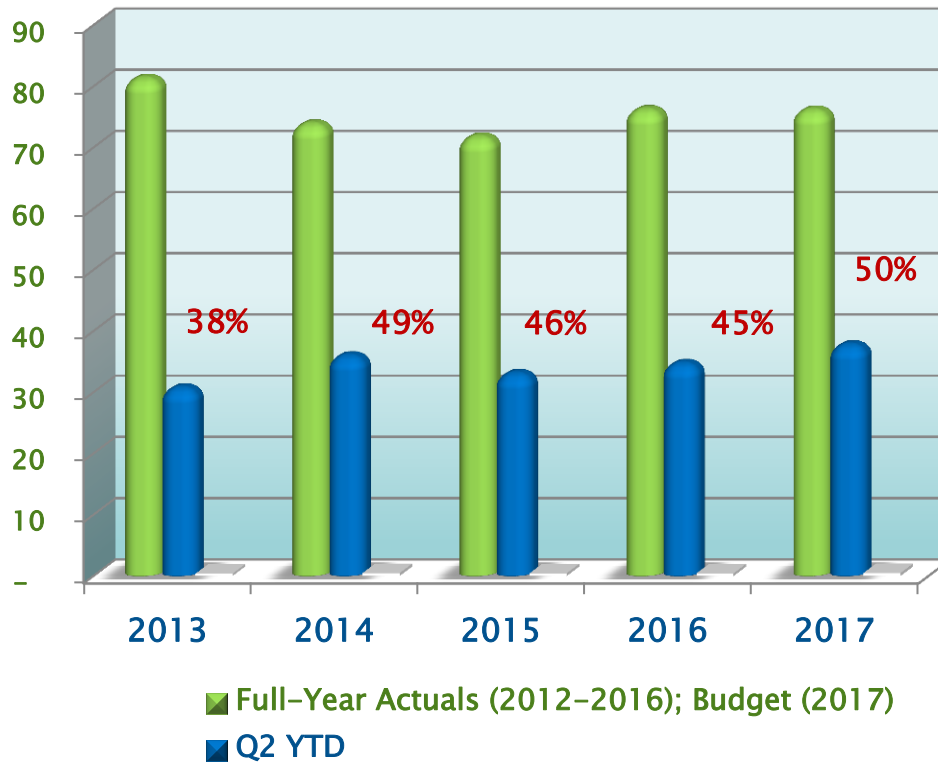
Collections by Fund



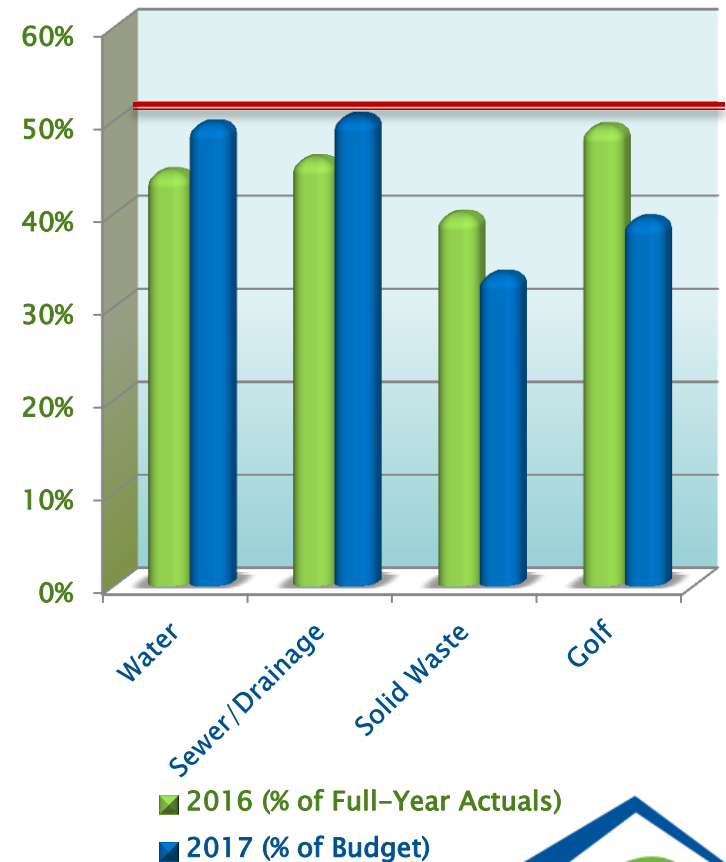
Enterprise Funds

\$ in Millions

Total Revenue Collections



Collections by Fund



Questions?

